

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

NSPIRE SPORTS LEAGUE, LLC and	§	<u>ELECTRONICALLY FILED</u>
TIMOTHY LEE THOMPSON,	§	
	§	
Plaintiffs / Counterclaim	§	2:16-CV-00103-CRE
Defendants,	§	
VS.	§	
	§	JURY TRIAL DEMANDED
NATIONAL PHYSIQUE COMMITTEE	§	
OF THE USA, INC. and JAMES B. MANION,	§	
	§	
Defendants / Counterclaim	§	
Plaintiffs	§	

ORIGINAL ANSWER TO COUNTERCLAIM

Nspire Sports League, LLC (“NSL”) and Timothy Lee Thompson (“Mr. Thompson”) (sometimes collectively referred to as the “Plaintiffs” and / or “Counterclaim Defendants”) file this Original Answer to the Answer, Additional Defenses, and Counterclaims of Defendants / Counterclaim Plaintiffs National Physique Committee of the USA, Inc. d/b/a NPC (“NPC”) and James B. Manion (“Mr. Manion”) (the “Counterclaim”). Unless specifically admitted herein, each allegation contained in the Counterclaim is hereby denied.

PARTIES

1. Admitted.
2. Admitted.
3. NSL admits that Nspire Sports League, LLC is a Texas limited liability company with its principal place of business currently located at 2430 Victory Park Lane, Dallas, Texas 75219.
4. Admitted.

5. Mr. Thompson admits that he is an adult individual residing at 2430 Victory Park Lane, Dallas, Texas 75219.

6. Admitted.

7. Admitted in part and denied in part. NSL and Mr. Thompson admit that Jennifer Thompson is an owner, officer, director, manager and/or authorized agent of NSL. NSL and Mr. Thompson deny that Ms. Thompson is also an authorized agent of Mr. Thompson. Rather, Ms. Thompson is Mr. Thompson's wife.

8. Admitted in part and denied in part. NSL and Mr. Thompson admit that Charles Johnson ("Mr. Johnson") is an owner, officer, director, manager and/or authorized agent of NSL. NSL and Mr. Thompson deny that Mr. Johnson is also an authorized agent of Mr. Thompson. Rather, Mr. Johnson is an attorney who has represented NSL, and who has represented Mr. Thompson in Mr. Thompson's capacity as an owner, officer, director, and/or manager of NSL.

JURISDICTION AND VENUE

9. The allegations set forth in Paragraph 9 of the Counterclaim are conclusions of law to which no response is required.

10. The allegations set forth in Paragraph 10 of the Counterclaim are conclusions of law to which no response is required.

FACTS

11. Admitted.

12. Admitted in part and denied in part. NSL and Mr. Thomson admit that Paragraph 12 of the Counterclaim summarizes, in part, the allegations of NPC's complaint. NSL and Mr. Thompson deny the allegations themselves.

13. Admitted in part and denied in part. NSL and Mr. Thomson admit that Paragraph 13 of the Counterclaim summarizes, in part, the allegations of NPC's complaint. NSL and Mr. Thomson deny the allegations themselves.

14. Admitted in part and denied in part. NSL and Mr. Thompson admit that Mr. Manion filed a Motion for Preliminary and Permanent Injunction and an accompanying Memorandum of Law on or about November 2, 2015. The remaining allegations of Paragraph 14 of the Counterclaim are denied.

15. Admitted.

16. Admitted in part and denied in part. NSL and Mr. Thompson admit that, on or about November 14, 2015, NPC, Mr. Manion, Mr. Thompson, and NSL executed a written Settlement Agreement for the purposes of fully and finally resolving any and all disputes currently in controversy between them. NSL and Mr. Thompson admit that a copy of the Settlement Agreement has been filed with the Court under seal. NSL and Mr. Thompson deny the allegations of paragraph 16 to the extent it suggests that NSL is not a signatory to the Settlement Agreement.

17. NSL and Mr. Thompson admit that NSL was formed on or about December 31, 2015. By way of further answer, NSL is a successor to Nspire Physique Championship League LLC d/b/a NPC Global, Nspire Sports League, and/or NSL and was formed as part of Mr. Thompson's good-faith efforts to comply with the terms of the Settlement Agreement.

18. Denied. By way of further answer, NSL is an effective signatory to the Settlement Agreement through its status as legal successor to Nspire Physique Championship League LLC d/b/a NPC Global, Nspire Sports League, and/or NSL.

19. Admitted.

20. The allegations set forth in Paragraph 20 of the Counterclaim are conclusions of law to which no response is required.

21. Denied.

22. Admitted in part and denied in part.

- a. Mr. Thompson admits that he authored the Facebook posts depicted in Exhibit A of the Counterclaim. However, Mr. Thompson denies that these statements are false and disparaging.
- b. It is admitted that Mr. Johnson authored the Instagram post depicted in Exhibit B of the Counterclaim. However, it is denied that that these statements are directed specifically at NPC, Mr. Manion and/or their respective officers, directors, employees and/or family members.
- c. It is admitted that Mr. Johnson authored the Instagram post depicted in Exhibit C of the Counterclaim. However, it is denied that that these statements are directed specifically at NPC, Mr. Manion and/or their respective officers, directors, employees and/or family members.
- d. It is admitted that Ms. Thompson authored the Facebook post depicted in Exhibit D of the Counterclaim. However, it is denied that the post depicted in Exhibit D “accus[es] NPC, Mr. Manion and/or Mr. Manion’s son of (amongst other things) rigging contests and operating child porn websites.”

CAUSES OF ACTION

COUNT I – BREACH OF SETTLEMENT AGREEMENT

23. Paragraph 23 of the Counterclaim is an incorporating paragraph to which no response is required. To the extent a response is deemed required, NSL and Mr. Thompson hereby incorporate their responses to the corresponding paragraphs of the Counterclaim.

24. Denied.

25. Denied.

26. Denied.

27. Denied.

28. Denied.

COUNT II – BREACH OF SETTLEMENT AGREEMENT

29. Paragraph 29 of the Counterclaim is an incorporating paragraph to which no response is required. To the extent a response is deemed required, NSL and Mr. Thompson hereby incorporate their responses to the corresponding paragraphs of the Counterclaim.

30. Admitted.

31. Admitted. By way of further answer, the press.npcglobal.org domain name is a sub-domain name of the npcglobal.org domain that was successfully transferred to NPC and Mr. Manion pursuant to the Settlement Agreement. Accordingly, the press.npcglobal.org sub-domain name was transferred along with the npcglobal.org domain name.

32. NSL and Mr. Thompson admit that the transfer of the domain name npcglobal.org was not finalized on or before January 15, 2016 due to technological limitations that were resolved shortly thereafter. NSL and Mr. Thompson deny the remaining allegations of Paragraph 32 of the Counterclaim.

33. Denied.

34. Denied.

AFFIRMATIVE DEFENSES

Mr. Thompson and NSL further allege the following affirmative defenses:

FIRST AFFIRMATIVE DEFENSE

NPC's and Mr. Manion's claims for relief are barred in whole, or in part, by their own conduct.

SECOND AFFIRMATIVE DEFENSE

NPC's and Mr. Manion's claims for relief are barred in whole, or in part, by the doctrine of unclear hands.

THIRD AFFIRMATIVE DEFENSE

NPC's and Mr. Manion's claims for relief are barred in whole, or in part, because NPC, Mr. Manion, and/or their respective officers, directors, employees, investors, family members and attorneys have failed to comply with the terms and conditions of the Settlement Agreement.

FOURTH AFFIRMATIVE DEFENSE

NPC's and Mr. Manion's claims for relief are barred in whole, or in part, because NSL, Mr. Thompson and/or their respective officers, directors, employees, investors, family members and attorneys have fully complied with the terms and the condictions of the Settlement Agreement.

FIFTH AFFIRMATIVE DEFENSE

NPC and Mr. Manion knew or reasonably should have known that NSL is a successor to Nspire Physique Championship League LLC d/b/a NPC Global, formed in a good-faith attempt to comply with the terms and conditions of the Settlement Agreement.

SIXTH AFFIRMATIVE DEFENSE

NPC's and Mr. Manion's claims for relief are barred in whole, or in part, because NPC and Mr. Manion failed to mitigate damages, if any, arising from any alleged breach of the Settlement Agreement.

SEVENTH AFFIRMATIVE DEFENSE

NSL, Mr. Thompson and/or their respective officers, directors, employees, investors, family members and attorneys substantially complied with the terms and the condictions of the Settlement Agreement related to transfer of domain names.

EIGHTH AFFIRMATIVE DEFENSE

NSL, Mr. Thompson and/or their respective officers, directors, employees, investors, family members and attorneys have suffered no economic loss resulting from any alleged breach of the Settlement Agreement.

PRAYER FOR RELIEF

WHEREFOR, Plaintiffs / Counterclaim Defendants Nspire Sports League, LLC and Lee Thompson request that this Court find that Defendants / Counterclaim Plaintiffs National Physique Committee and James Manion take nothing by way of their Counterclaims and that Nspire Sports League and Lee Thompson are granted such other and further relief tow which the Court deems just and proper.

Respectfully submitted,

/s/ Roy W. Arnold

Roy W. Arnold
Pa. I.D. No. 70544
rarnold@reedsmith.com

REED SMITH, LLP
225 Fifth Avenue, Suite 1200
Pittsburgh, PA 15222
(412) 288-3916

Of Counsel:

Richard D. Anigian (*appearing pro hac vice*)
Texas State Bar No.01264700
rick.anigian@haynesboone.com
Nick Nelson (*appearing pro hac vice*)
Texas State Bar No. 24074804
nick.nelson@haynesboone.com

HAYNES AND BOONE, LLP
2323 Victory Avenue, Suite 700
Dallas, Texas 75219
Telephone: 214.651.5000
Telecopier: 214.651.5940

**ATTORNEYS FOR PLAINTIFFS NSPIRE SPORTS
LEAGUE, LLC AND TIMOTHY LEE THOMPSON**

CERTIFICATE OF SERVICE

The undersigned certifies that on March 23, 2016, the foregoing Original Answer to Counterclaim was filed electronically with the Clerk of Court using CM/ECF system, which will send notification of such filing to all counsel of record.

/s/ Roy W. Arnold
Attorneys for Plaintiffs Nspire Sports
League, LLC and Timothy Lee Thompson